

AMENDMENT TO WORKFORCE INVESTMENT ACT CONTRACT BETWEEN THE CITY
OF DURHAM AND GENERAL MANAGEMENT SOLUTIONS, INC. (GMSI) OF
VIRGINIA BEACH, VA

This contract ("Amendment") is made and entered into as of the ____ day of _____, 2011, between the City of Durham, a municipal corporation ("City") and General Management Solutions, Inc. ("Contractor"), a corporation organized and existing under the laws of Virginia.

The City and the Contractor entered into a contract titled "Workforce Investment Act Contract Between the City of Durham and General Management Solutions, Inc. of Virginia Beach, VA" on August 30, 2010. That contract is referred to as the "Original Contract." The purpose of the Amendment is to expand the services provided under the "Original Contract" and amend the payment budget.

1. Delete Section 2, "Purpose/Program Narrative" of the Original Contract and replaced with the following:

Section 2, Purpose/Program Narrative Contractor shall perform the services and activities outlined in Attachment A of the Original Contract and Attachment A-1 of the Amendment Contract. Those services and activities are sometimes referred to in this contract as the "Scope of Work" or the "Deliverables". The Contractor shall begin performance of these services and activities on October 1, 2011. It shall complete those services and activities by September 30, 2011. This Contract may be renewed based upon performance and funding availability for a maximum of two additional years. In year one, an evaluation will be made by the Office of Economic and Workforce Development (OEWD) to determine whether to recommend contract renewal and to refer the recommendation to the Durham Workforce Development Board (DWDB) and the City Council prior to September 30, 2011. A subsequent evaluation will also be made by OEWD at the end of year two prior to September 30, 2012 in order to determine if the contract will be recommended to the DWDB for renewal in its final year.

2. Delete Section 3, Complete Work without Extra Cost of the Original Contract and replaced with the following:

Sec. 3. Complete Work without Extra Cost. Except to the extent otherwise specifically stated in this contract and in Attachment B (Revised May 2011), the Contractor shall obtain and provide, without additional cost to the City, all labor, materials, equipment, transportation, facilities, services, permits, and licenses necessary to perform the Work.

3. Delete Section 4, "Payment under the Contract." of the Original Contract and replaced with the following:

Section 4, "Payment under the Contract". The City shall make payments on a cost reimbursement basis to the Contractor for services and activities described in Attachment A of the Original Contract and Attachment A-1 of the Amendment Contract, and within the budgeted line-items provided for in "Attachment B (Revised May 2011)" of this Amendment in an amount not to exceed, for the entire Original Contract, as amended, \$915,000.00. Those payments shall be

made by the City within 30 days of receipt of invoices for services received from the Contractor. No less often than monthly, the Contractor shall send invoices to the Workforce Development Administrator within the Office of Economic and Workforce Development, whose name and address shall be provided by the City. The City shall provide the Contractor with blank reporting forms referred to in this Contract, and Contractor agrees to use those forms and instructions.

Notwithstanding anything in the Contract which may be to the contrary, Contractor understands and agrees that any payment made under or in any way relating to this contract by the City is limited to the lesser of (i) funds made available for that purpose by the North Carolina Department of Commerce, Division of Workforce Development (DWD) under the grant referred to above, or a total maximum of the contract amount of (ii) \$915,000.00. Payments shall be made on a cost reimbursement basis by the City only for services and activities listed in Attachment A of the "Original Contract" and Attachment A-1 of the Amendment Contract, and consistent with, and not exceeding, the budgeted line item amounts identified in Attachment B (Revised May 2011) attached to this Amendment.

Contractor performance will be reviewed on a monthly basis. Failure to reach the goals and objectives, and failure to carry out the services and activities as set out in Attachment A-1 of this Amendment, Attachment A of the Original Contract, and Attachment B (Revised May 2011) in a timely manner, will result in delay of payment to Contractor under this Contract and will be in breach of the Contract.

4. Attachment A-1 of the Amendment Contract has been added to Attachment A of the Original Contract.
5. Attachment B of the Original Contract is deleted and replaced with "Attachment B (Revised May 2011)" attached to this Amendment.
6. The terms and conditions of the Original Contract not modified by this Amendment shall remain in full force and effect.

IN TESTIMONY WHEREOF, the parties hereto have caused this Contract Amendment to be executed, as of the day and year first above written.

CITY OF DURHAM

ATTEST:

By:

PREAUDIT CERTIFICATE

General Management Solutions, INC.

By: _____

Title: _____
(Affix corporate seal.)

State of _____

ACKNOWLEDGMENT BY

GENERAL MANAGEMENT SOLUTIONS INC.

County of _____

I, a notary public in and for the aforesaid county and state, certify that

_____ personally appeared before me this
day and stated that he or she is (strike through the inapplicable:) chairperson/ president/ chief executive
officer/ vice-president/ assistant vice-president/ treasurer/ chief financial officer of GENERAL
MANAGEMENT SOLUTIONS, INC., a corporation organized and existing under the laws of Virginia,
and that by authority duly given and as the act of the corporation, he or she signed the foregoing contract
or agreement with the City of Durham and the corporate seal was affixed thereto. This the _____ day of
_____, 20_____.

My commission expires:

Notary Public

Attachment A-1

Of the Amendment Contract

(Added May 2011)

ATTACHMENT A-1

STATEMENT OF WORK

Durham Workforce Development Board

GENERAL MANAGEMENT SOLUTIONS, INC.

Background

In March 2011, the Office of Economic and Workforce Development received a notice from the NC Division of Workforce Development that the Durham Local area was awarded a grant in the amount of \$200,000 (in 2 allotments of \$100,000) in On-the-Job Training (OJT) funds that were awarded to the DWDB to provide on-the-job training subsidies to help offset costs for Durham businesses to hire long-term unemployed participants of the WIA Adult and Dislocated Worker program, graduates of local Tech school Jobs Now programs, or to support the 3000 state employees who will be affected by the reduction in force notices and/or terminated from their positions by June 30, 2011.

At their April 19, 2011 meeting the Durham City Council approved receipt of the first allotment of \$100,000.00 to begin implementing this program in May 2011. If the Durham area is successful in spending down this initial allotment in the next 3-4 months, the state anticipates awarding the 2nd allotment of \$100,000.00.

The total \$200,000.00 grant must be expended by December 31, 2011.

Services and performance outcomes that occur based upon OJT funded activities will be tracked separately from the 545 WIA participants receiving employment and training services under the existing contract that is scheduled to end on September 30, 2011.

Deliverables

- Contractor shall serve between 18-36 individuals (depending on the amount of each subsidy that is contingent with the size of the company);
- As stipulated by the NC Department of Commerce Division of Workforce Development, the Contractor will target the following individuals to participate in under this OJT program:
 - a) Dislocated Workers who are enrolled in the WIA program and/or participants who are involved with the JobLink system - with specific recruitment of the chronically-long term unemployed as identified by the Employment Security Commission and the Employment Security Commission REA program. For the purposes of this contract, a “Chronically Unemployed” individual is defined as someone who has been laid –off and unemployed for 19 weeks or more;

- b) Graduates of the local JobsNow program; and/or
- c) A state employee who will be or was affected by the reduction in force notices and/or terminated from their positions as of June 30, 2011.

- Contractor will conduct an assessment of individual participant skill-sets in order to best determine viability of participant OJT placements;
- Contractor will develop OJT contracts and/or place WIA participants with private for-profit and not-for-profit businesses;
- Contractor will provide outreach to targeted businesses to match employers/industries based on skill sets that are identified through an assessment of prospective OJT participants;
- Contractor will track services and performance outcomes that occur based upon OJT funded activities listed herein separate from the WIA activities listed in Attachment A of the ORIGINAL CONTRACT;
- Contractor will establish separate accounting mechanisms to report and invoice for OJT activities listed herein;
- Contractor will adhere to the OJT (submitted to Contractor prior to the time of execution of this contract) policy submitted to and approved by the NC Department of Commerce Division of Workforce Development and will monitor all On-the-Job Training contracts for local, state and federal compliance;
- Contractor is required to provide a monitoring report on all On-the-Job projects that will include but is not limited to, number of project participants, number of project referrals, funds exhausted to date and will provide any other report that the DWDB may request within and agreed upon time period.

Attachment B

(Revised May 2011)